



SUSTAINABLE DEVELOPMENT. WHAT BEGAN AS A VAGUE, FASHIONABLE TERM OVER A DECADE AGO HAS BECOME TODAY A NECESSARY PRACTICE FOR COMPANIES ASPIRING TO BE ECONOMICALLY VIABLE.

Clients and consumers now demand more than an attractive product or an efficient service; they want the companies behind these products to be socially and environmentally responsible. Over the past few years, principles of sustainable development have become fully integrated into the way that Havas does business. Beyond recycling and pro bono campaigns, it has become a priority of all of our agencies to step outside of their immediate activities and employ their creativity and efficiency to the benefit of the common well-being. As one of the world's leading advertising groups, Havas has always aimed to exceed expectations in these areas. In 2006, Havas not only stepped up to the challenge of corporate social responsibility, now demanded by consumers, but took a step further, pushing the advertising industry as a whole to make advertising more socially and environmentally responsible.

Havas joined the United Nations Global Compact in April of 2003 to illustrate the serious commitment of all of its divisions and agencies to internationally proclaimed human rights, rigorous labour standards, greater environmental responsibility, and anti-corruption efforts.

Throughout 2006, Havas agencies all over the world have been translating the ten principles of the Global Compact into concrete actions to improve well-being within their offices, communities and natural environment. For Havas, upholding the Global Compact involves understanding that each agency has an engagement toward its employees and its community, but also toward promoting a more responsible profession. Havas meets this engagement through its Human Resources policies and programs, its participation in civic life and its commitment to the environment.



HUMAN RESOURCES An Engagement toward Our Employees

With Web 2.0 exploding onto the scene this year, clients are asking our agencies for increasingly sophisticated services compared to the past. Moreover, the democratizing effect of the internet means that the benefits of diversity and multiculturalism within our agencies have never been more evident. The advertising industry is quickly changing and our talent needs to advance just as quickly.

In 2006, our agencies stepped up to meet these demands and improve their performance by setting and meeting three Human Resources priorities:

- Upgrade our Competencies,
- Strengthen the Diversity of our Group's Employees,
- Recruit and Retain of Top Talent.

Upgrading our Competencies

Havas Media

In order to deal with quickly changing client demands, Havas Media launched in 2005 a breakthrough Talent Management System to upgrade media agencies competencies and knowledge.

Global tools such as the "Performance & Development System" (PDS), the Management Review Process and the Dare to Know knowledge management program have been established to review individual performance, accelerate skills development and identify professional aspirations while helping the company achieve its objectives.

In 2006, under the umbrella of Dare to Know, Havas Media launched the following programs:

- Leveraging Marketing Communications (LMC) Global Training to promote best practices in accountability and global account management understanding how communications work and total communications planning amongst employees with a key role in the commercial process and/or with direct contact with key clients.
- LMC Knowledge Deployment, a program designed to create awareness and develop a common understanding among all Havas Media employees using different communications tools such as videos, animations, content cards, and e-learning courses – all accessible through a global Intranet iSpace.

Euro RSCG Worldwide

Euro RSCG Worldwide spent 2006 perfecting programs created to develop and retain employees such as the 5i Appraisal System to identify and evaluate employees with strong potential, and the employee exchange program which allows employees to swap jobs in different offices around the globe for short periods of time.

In 2006, Euro RSCG, through its individual offices also, initiated numerous new programs and projects to keep team members' skills sharp.

- Euro RSCG New York launched a new initiative to institute a mentoring program designed to provide new staff with information and resources to help them succeed.
- Euro RSCG France launched a public relations seminar in Cannes in 2006 with the goal of providing training to professionals.
- In Spain, Euro RSCG adopted the "15 Magnificent Program" to develop and retain employees.

Strengthening the Diversity of the Group's Employees

As Havas agency Arnold Worldwide likes to say, "Great Minds Don't Think Alike"; differences need to be respected and appreciated. That is why Havas promotes creating an inclusive and diverse workforce. Today, such a diversity of perspectives is not only beneficial to the advancement and integration of all in society, but necessary to meeting the high expectations of clients.

Arnold Worldwide Partners

Arnold Worldwide in the United States is frequently recognized and commended for its innovative diversity initiatives. Beyond being committed to working with and providing reasonable accommodations to assist otherwise qualified employees, applicants and candidates, Arnold has established:

- The Arnold Multicultural Employee Network which meets monthly to support Arnold's diversity efforts.
- The Atrium Project, an internal diversity internship program that seeks out the best and brightest multicultural talent in the country and provides them with an internship at Arnold Worldwide.
- The Arnold Immersion: Multicultural project, a series of multicultural marketing and diversity management seminars that help foster awareness and build skills for executing an inclusive, diverse body of work.



- Advertising 1-to-1, an organisation that participates in and supports industry diversity initiatives through affiliations with trade organizations and sponsorship of key events as well as community outreach to schools and universities through the U.S.

Havas Media

In order to promote greater diversity amongst its employees and in the advertising industry in general, Havas Media, a member of the UN Global Compact, has signed agreements with the "Fundosa" Foundation, the "Star Project" of the Down Syndrome Association and the Alternative Measures Plan of the Spanish Ministry of Social Affairs to commit to integrating minorities within the organization and to acquire products and services of organizations whose staff is in majority disabled.

Euro RSCG Worldwide

In the United States, Euro RSCG Worldwide has organized a group known as Diversity Champions, which is comprised of representatives of each of the Euro RSCG companies in New York. The mission of the group is to think of ways to improve the attraction, retention and promotion of diverse employees through participation in job fairs at diverse schools, intern programs and other outreach programs designed to improve diversity.

Recruitment and Retention of Top Talent

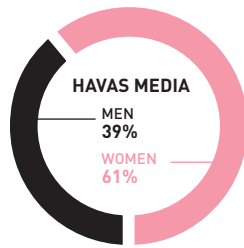
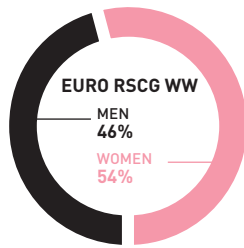
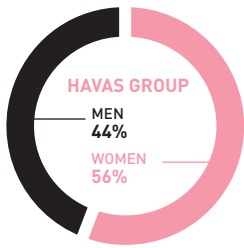
In addition to the programs and initiatives that make our teams stronger through their diversity and their talents, Havas and its agencies have spent 2006 developing innovative programs to both recruit, retain and build loyalty amongst top industry talent.

Most notably:

- In 2006, Euro RSCG New York developed a partnership with Princeton University. Through this partnership key executives provide periodic seminars at the University with the goal of increasing interest in the industry.
- Havas launched a loyalty and incentive scheme for its top 500 executives. To take part in the scheme, which was introduced in the form of a redeemable equity and/or acquisition warrant issue, executives wishing to subscribe had to invest their own funds to buy the warrants. As the amounts invested are not guaranteed, they are at the investors' own risk but the scheme was nonetheless well oversubscribed and the participation rate exceeded 60%. The price of the warrants is linked to the Havas share price, thus ensuring that this incentive scheme is aligned with shareholders' interests. The warrants will be listed and can be freely traded from December 1, 2010 to December 1, 2013. Only warrant holders still with the group at December 1, 2010 will be entitled to sell or exercise their warrants.

SUSTAINABLE DEVELOPMENT

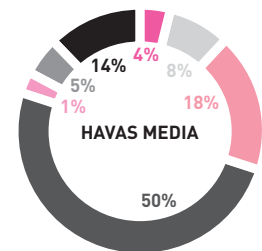
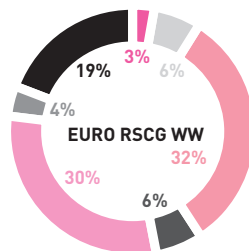
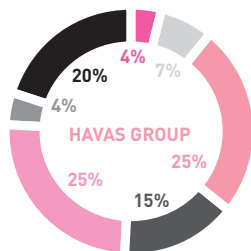
GROUP GENDER STRUCTURE



While women still represent the majority of employees on the Group level, a balance is perceivable in 2006 in relation to previous years.

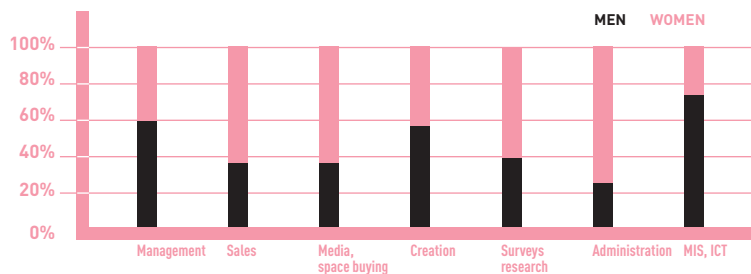
BREAKDOWN OF EMPLOYEES BY OCCUPATION

The occupations that are dominant in the Group inevitably have strong commercial and creative connotations, with variations specific to each entity. The Havas Media division is clearly a special case because of the strong presence of occupations relating to media expertise and space buying.



— Management — Sales — Media, space buying — Creation — Surveys research — Administration — MIS, ICT

GENDER DISTRIBUTION BY OCCUPATION

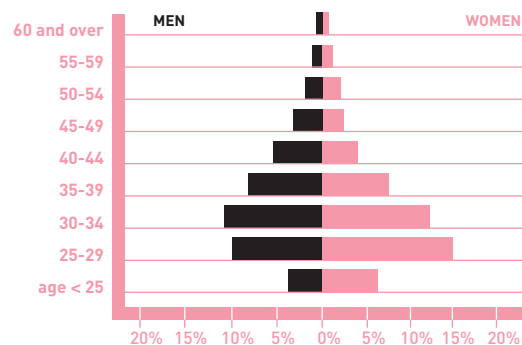


Men form the majority in occupations related to management, creation and new technologies. Women are represented more strongly in job profiles of a commercial or administrative type, or ones that concern space buying and media in general.

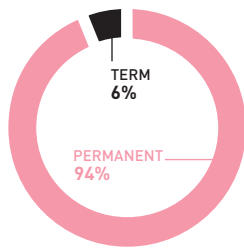
GROUP AGE STRUCTURE

Average age by division	MEN	WOMEN	TOTAL
HAVAS GROUP	35	34	35
EURO RSCG WW	36	35	35
HAVAS MEDIA	33	32	32

The advertising and communications sector remains highly attractive for young people, as shown by the strong presence of the 25/35 age groups.

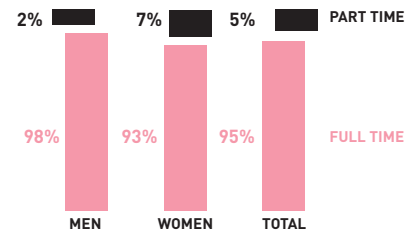


WORK CONTRACTS BY TYPE



As in previous years, the proportion of term contracts remains very low (6% for the group as a whole).

FLEXIBILITY IN THE WORKPLACE

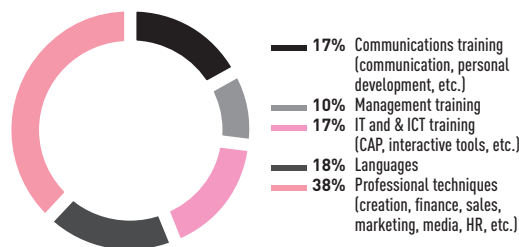
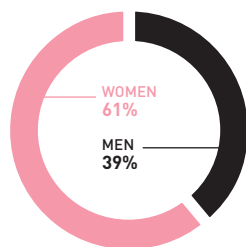


There has been a slight increase in part-time working in 2006: the proportion rose from 4% in 2005 to 5% in 2006. This choice mainly concerns women.

TRAINING

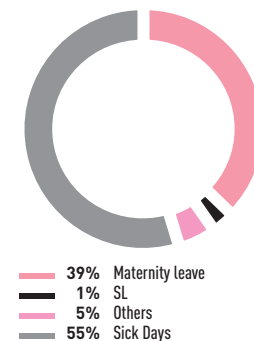
Employees mainly receive training in professional techniques, providing a regular knowledge upgrade and an approach to the new techniques or developments required in the various types of occupation present in the Group.

Gender Structure of Employees Receiving Training Training by Subject Matter



ABSENTEEISM

Absenteeism remains low at scarcely over 2% of total Group payroll.



SOCIAL RESPONSIBILITY

An Engagement toward our Communities

A socially responsible corporation is one that exercises its profession while constantly considering the potential direct and indirect social and environmental impact of its activities. Havas makes it a priority to engage in such continuous self-reflection and goes further by actively engaging in efforts external to its activities that help advance our communities.

Exercising our Profession Responsibly

Often criticized for pushing people to consume, advertising also has the unique power to transmit a message to mobilize people around a social cause and even change for the better the way that people consume. Havas has made such "responsible advertising" a priority and has spent 2006 encouraging the rest of the advertising industry to do the same.

Ethical Responsibility of the Communications Industry

Havas has adhered to several professional codes of ethics and practice through the various professional associations in which we are active members: EACA, AACC, AAAA.

Our agencies also work to promote responsible advertising and consumption in their respective regions: In the United States, Arnold and McKinney are members of the AAF and A&A. In Spain, Havas Media is an active participant in the debates and seminars of the Fundacion Autocontrol, an organization promoting responsible advertising. Euro RSCG Life in France is involved in the creation of the European Healthcare Advertising Agency Association. Finally, Euro RSCG in Indonesia is seriously involved in the Indonesian Association of Advertising Agencies. Andoko Darto, Chief Executive Officer of the agency, has been appointed to serve as the Chief of Education of the IAAA from 2005-2008.

SUSTAINABLE DEVELOPMENT

PRO BONO CAMPAIGNS

It is in the culture of Havas agencies to undertake each year a multitude of public service campaigns for a price tag of 0. Employees of our agencies, from the Creative Director to the Strategic Planner, understand and eagerly accept that a percentage of their time and know-how will be devoted to working on a public service campaign for a charity or humanitarian organisation for which the remuneration will be the satisfaction of supporting a cause they believe in.

Here are a few examples of the pro bono campaigns that Havas agencies undertook in 2006:



LEG/ARM • Home for Handicapped Animals Foundation

Euro RSCG Flagship, Thailand



Photocopy Paper • Greenpeace

Euro RSCG Shanghai, China



Girl/Man • Stop Prisoner Rape

McKinney, USA

In 2006, however, Havas went even further in its continuing effort to responsibly exercise its profession. Not only did we consider the implications of our own actions, we also encouraged the advertising industry as a whole to reflect on, and even measure, the social and environmental impact of its activities:

- W & CIE published a study, "Does Green Sell?", showing how advertisers and brands can encourage consumers to "consume green" without having to sacrifice commercial success.
- Even more groundbreaking, MPG France developed a tool baptised EcoPublicité to measure the environmental impact of the production of advertisements, thus allowing advertisers to optimize the environmental performance of a campaign. More information about these efforts can be found in the "Environment" section below.

Civic Engagement

Arnold Worldwide Partners

In 2006, Arnold employees invested serious amounts of time to improving the communities around them.

- Arnold agency, McKinney, was involved in Habitat for Humanity's "Lets build a house" Program. McKinney underwrote 50% of building a house for someone who otherwise could not afford it. McKinney employees served as volunteers to physically build the home, providing over 1200 man-hours.
- Arnold participated in the "School Works" program which allows any employee to take time off from work to teach in a classroom once a week at an inner city elementary school.
- Arnold Worldwide has engaged in the "United Way" campaign, encouraging its employees to give while providing matching funds.
- Arnold participated in "Toys for Tots" where employees contributed Christmas presents for underprivileged children.
- Finally, after the disaster in New Orleans, Arnold sponsored a Hurricane Katrina relief effort.

Havas Media

Havas Media is engaged in improving and sustaining the cultural activity of its communities. Its agencies around the world make financial contributions to the Whitney Museum of America, Guggenheim Museum, Fundacion del Museo del Prado, Fundacio Gran Teatre del Liceu, Fundacion Gran Teatro Lirico Real, Fundacio Palau de la Musica, Fundacion del Museo de Arte Contemporaneo de Barcelona, Fundacion Museo Guggenheim Bilbao, Fudnaction Principe de Asturias, and MOMA.

Euro RSCG Worldwide

Euro RSCG offices around the world are involved in improving the quality of life in difficult areas hit by disaster and conflict:

- During the second Lebanon war, Euro RSCG Tel Aviv developed a campaign entitled "Buying the North" which encouraged Southern Israelis to employ Northern Israelis moving to Tel Aviv and the south.
- Euro RSCG in Japan contributes to JEN, a non-profit organisation which provides emergency assistance, infrastructure restructuring and psychosocial and social service support in disaster areas.
- Euro RSCG in Thailand makes donations to the Bank of Post Foundation and provided a scholarship through a local foundation.

ENVIRONMENT

An Engagement toward Our Environment

While the environmental impact of Havas is not the same as that of a heavy industry, the activities of our 14,000 team members, like that of our suppliers, have a significant impact on the environment. We are thus committed to lessening the impact of the environmental footprint that our activities directly and indirectly leave behind.

Euro RSCG Worldwide

In order to combat the direct environmental impact of our activities, Euro RSCG Worldwide UK has joined the CarbonNeutral Company program to measure and reduce the CO₂ from all of its operations and then, "offset" the unavoidable emissions. The company will invest in carbon "units" which, in turn, are invested in programs that lower CO₂ emissions or replenish oxygen.

Havas Media

Apart from the day-to-day environmental consciousness (paper collection, ink-rolls collection, controlled use of energy) that has become a part of the Havas Media team culture, Havas Media is actively engaged in improving the environment many miles from its offices:

- Havas Media makes financial contributions to the Fundacion Natura, a foundation dedicated to the preservation of forests in Brazil, Nicaragua, and Spain.
- Havas Media also supports the innovative environmental site www.plantatuarbol.com where a tree is planted for each click received.

W & CIE

In 2006, W & CIE declared that they were striving to be the "greenest" agency in France. To move towards their goal, the agency published a study, "Does Green Sell?" providing guidelines for how advertisers and brands can encourage consumers to protect the planet and consume green while not having to sacrifice commercial success due to decreased consumption. This study is unique in that it has pushed both advertisers and brands to consider the indirect environmental impact of marketing a product or a service, but does not denounce encouraging consumption. Instead it provides tools to help consumers consume "greener" •

CLOSE-UP ON MPG FRANCE: PUSHING THE ADVERTISING INDUSTRY TO CONSIDER THE ENVIRONMENTAL IMPACT OF ITS PROFESSION.

In 2006, MPG, in collaboration with PricewaterhouseCoopers Ecobilan, created a groundbreaking tool baptised "EcoPublicité" intended to measure the environmental impact of advertisements. The tool, which was officially launched in April 2007, allows advertisers to evaluate and optimize the environmental performance of a campaign by considering the physical means of conception and production and the media supports used in the creation of that campaign. In the second phase of development, the social aspect of the content of the message will be taken into account as well as a reflection on the nature of the product in order to provide a more holistic and truly accurate measurement of an ads impact.